



# PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

**FOR IMMEDIATE RELEASE**  
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## **BankSouth, Greensboro, Georgia, Assumes All of the Deposits of North Georgia Bank, Watkinsville, Georgia**

North Georgia Bank, Watkinsville, Georgia, was closed today by the Georgia Department of Banking and Finance, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with BankSouth, Greensboro, Georgia, to assume all of the deposits of North Georgia Bank, except certain brokered and Internet deposits.

The two branches of North Georgia Bank will reopen on Saturday as branches of BankSouth. Depositors of North Georgia Bank will automatically become depositors of BankSouth. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of North Georgia Bank should continue to use their existing branch until they receive notice from BankSouth that it has completed systems changes to allow other BankSouth branches to process their accounts as well.

This evening and over the weekend, depositors of North Georgia Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of December 31, 2010, North Georgia Bank had approximately \$153.2 million in total assets and \$139.7 million in total deposits. BankSouth agreed to purchase approximately \$123.9 million of the failed bank's assets, including all of the loans. The FDIC will retain the remaining assets for later disposition.

BankSouth will purchase all of the deposits of North Georgia Bank, except those from certain deposit brokers and those placed over the Internet. The FDIC will pay brokers



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-24-2011

directly for the amount of their funds. Customers who placed money with the deposit brokers should contact them directly for more information. Internet deposit customers will receive a check from the FDIC for the amount of their funds and may contact the FDIC at the toll-free number below for additional information.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-866-782-1897. The phone number will be operational this evening until 9:00 p.m., Eastern Standard Time (EST); on Saturday from 9:00 a.m. to 6:00 p.m., EST; on Sunday from noon to 6:00 p.m., EST; and thereafter from 8:00 a.m. to 8:00 p.m., EST. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/northgabank.html>.

The FDIC and BankSouth entered into a loss-share transaction on \$120.1 million of North Georgia Bank's assets. BankSouth will share in the losses on the asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please visit: <http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$35.2 million. Compared to other alternatives, BankSouth's acquisition was the least costly resolution for the FDIC's DIF. North Georgia Bank is the thirteenth FDIC-insured institution to fail in the nation this year, and the fourth in Georgia. The last FDIC-insured institution closed in the state was American Trust Bank, Roswell, earlier today.

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